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[This is the web site of the reconstituted Socialist Party of Great Britain who were expelled from the Clapham-based Socialist Party in May 1991 for using the name "The Socialist Party of Great Britain" in our propaganda as required by Clause 6 of The Object and Declaration of Principles formulated in 1904 to which we agree. We reconstituted ourselves as The Socialist Party of Great Britain in June 1991. Any money given to us for literature or support is in recognition that we are not the Clapham based Socialist Party at 52 Clapham High Street and any mistakes will be rectified.]

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A World of Plenty

The material and technological resources exist today to allow the production of goods and services to meet the needs of all the world's inhabitants. There is no need for any person to starve to death or to be without food and health provision.

That people do starve and do not have their needs met is the result of the earth's resources being monopolised by a minority who only engage in production if there is a profit to be made. Scarcity is artificial not natural and is a result of capitalist production and the private ownership of the means of production.

A society of abundance can be created just as soon as the world's working class stop supporting capitalism and its political agents and establish common ownership and democratic control of the means of production and distribution by all of society. This requires conscious and political action towards a Socialist end.

The SPGB exists to help the emergence of a conscious and political socialist movement to create a society of abundance rather than deliberate scarcity. Socialists aim to convince the working class, those who are forced to sell their ability for a wage or a salary, to create socialism and ensure production meets human need. The SPGB aims to convince workers that socialism is both possible and necessary and can be established now. We exist to show that the arguments of politicians are arguments supporting the capitalist class. We aim to show that social reforms cannot eradicate the problems of poverty, war and exploitation. We are opposed to all other political parties who do not have Socialism and only Socialism as their objective. We oppose all wars on grounds of class, all religions and all nationalist sentiment from flying flags from cars during the World Cup to the killing of workers by workers in capitalism's wars.

Social wealth is not produced in abundance because capitalist production is for profit and not for meeting human need. Much of what capitalism produces is wasted on war, commerce and advertising, necessary for capitalism but unnecessary in a rational society of free men and women. Much of what capitalism produces is of poor quality. When commodities cannot be sold production is halted and goods destroyed. There is not production for need but production to keep a small minority in a lifestyle of privilege and power.

The barrier to the rational use of production to meet human need is the profit motive. Profit dictates what is produced and for whom. And it is only paying customers that count. Production for profit on a world scale means universal competition: competition for markets, for trade routes, for sources of raw materials. This universal competition leads to war and for the preparation of war. Billions of Pounds are spent on weapon production and the training of workers to kill other workers.

The working class appear to be dependent on a capitalist class for their existence. They are only dependent upon employers because they do not own the means of production. Workers, as a consequence, are forced to sell their ability to work for a wage or a salary. They produce more social wealth than they receive back to reproduce themselves and their family as a class of wage slaves.

Scarcity, waste and want are not natural but are caused by capitalism and the private ownership of the means of production. Scarcity, waste and want are attributes of capitalist production and will last while capitalism lasts. You cannot separate the parasite from its slime anymore than you can separate capitalism from the problems it causes.

We are told by our critics that we are all too greedy for Socialism to exist. Yet being greedy and selfish are not innate nor are they natural. People's behaviour depends on the form of society in which they grow up in and live their lives. In a highly competitive social system like capitalism greed and selfishness are held up as virtues to be admired yet at the same time capitalism depends on co-operative and social labour to get anything produced and distributed. In a different social system of common ownership and democratic control of the means of production social co-operation and altruism will be seen as models of human behaviour where the maxim will be "*from each according to ability to each according to need*".

They Just Can't Leave Marx Alone

In a letter to former Labour Leader Michael Foot, written in 1982 and published in June, Tony Blair reveals that reading Karl Marx "irreversibly altered" his outlook. Just what influenced Tony Blair we are explicably not told, he probably just wanted to ingratiate himself as a career move with the Labour Party leadership. This did not stop The Independent giving a two page spread to Marx in its paper under the banner "Marx: Does he still matter?" Nine usual suspects were asked to give their comments from Eric Hobsbawm to Bob Crow. But in its conclusion the Independent answered its own question: "Marx's greatest achievement was understanding capitalism, and in understanding it he came to the conclusion that it could and must be replaced with something better. As long as there are capitalists Marx will remain relevant". What Marx did not have in mind as a solution to the problems of capitalism was the capitalist politics of the Labour Party either under Michael Foot or Tony Blair. For Marx "something better" was socialism.

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There is no need for markets

The failure of Market fundamentalism

The journalist, J. Hari has recently written an article attacking the market fundamentalism which has been dominant in the world since the eclipse of Keynes and State capitalism (*Markets need regulation and lots of it* INDEPENDENT 27.04.06).

To illustrate the bankruptcy of the market fundamentalists whose solution to the social problems created by capitalism is even more capitalism he contrasts the experience of Enron in the US with the post-crisis co-operative movement in Argentina.

The contrast has been highlighted in two recent films; the first by Michael Moore -ENRON: THE SMARTEST

GUYS IN THE ROOM which looks at free-market deregulation where "*Money is the only thing that motivates people*" (Enron's CEO Jeffrey Skilling). Enron's collapse was presaged by turning the lights out in Free Market supporting State of California as part of a scam to drive up prices. As a consequence people were trapped in elevators, hospital operations were disrupted and old people died in the baking summer heat. Ken Lay an Executive at Enron was alleged to have cynically remarked "*You know the difference between the Titanic and the State of California? At least when the Titanic went down the lights were on*".

Of course, the Labour supporting Mr Hari does not tell his readers that Enron gave £12,500 towards a Labour Party gala dinner and overall gave £38,000 towards the Labour Party coffers with its British Chairman, Ralph Hodge, receiving a CBE in 2001(LABOUR PARTY PLC David Osler p228 2002).

The second film by Naomi Klein: THE TAKE is about Argentina and the failure of market deregulation of the 1990's when the US led World Bank and IMF imposed market fundamentalism on the Argentinean economy through a process known as "*capital-account liberalization*" (see J. Stiglitz's "GLOBALIZATION AND ITS DISCONTENTS" 2002).

The market reforms could do nothing to prevent the economic crisis which hit the Argentinean economy; companies went bankrupt, unemployment soared, the country's population were pauperised. In the film, Klein shows that even though the factories and hospitals were abandoned by foreign owners workers continued to work in them and created co-operatives. The co-operative highlighted in Klein's film is the Zanon ceramics factory a so-called "*fabricia sin patrones*" (Factory without bosses) where output has increased by 20%.

Are Markets Necessary?

Mr Hari believe that the Zanon factory in Argentina represents "*a real-world alternative to market fundamentalism*".

And Hari concludes:

"Markets are essential (every country that has suppressed them has quickly regressed to universal poverty and famine), but they come in a thousand different forms. It is foolish to speak about "capitalism" as one big homogeneous block. There are thousands of capitalisms, some humane, some horrendous".

This is so-much romantic drivel. Which countries have suppressed the market? State capitalist countries had (and with Cuba have) a market; the buying and selling of the commodity labour-power. At the height of Mao and Stalin both Russia and China had a labour market and the exploitative mechanism of the wages system. The wages system equally exists in Castro's Cuba.

And it is not "*foolish*" to speak about "*capitalism*" as one homogenous block. Capitalism is a historically formed world-wide system in which the globe's resources are owned by a minority to the exclusion of the majority. What distinguishes capitalism from previous social systems and a future socialist one is that labour-power; the workers' mental and physical ability to work has become a commodity and produces more social wealth than workers receive in wages and salaries.

It does nor matter whether capitalism is of the form found in the US, Cuba, Vietnam, China, pre 1990 Russia, post Soviet-Eastern Europe; they all have one unifying feature in common; the private ownership of the means of production and the class exploitation of the working class. There is not "*capitalisms*" but CAPITALISM in which a world capitalist class confronts a world working class.

The reason why Mr Hari cannot grasp that markets are not necessary is that his starting point is all wrong. He cannot see the centrality of social and co-operative labour and the labour process. He does not see how social and co-operative labour is embedded within capitalist relations, fragmented and alienated throughout the private ownership of the means of production where workers confront what they produce in production as the property of someone else. As Marx notes in the chapter on Co-operation:

"Capitalist production only really begins, ..., when each individual capital employs simultaneously a comparatively large number of labourers; when consequently the labour process is carried on on an extensive scale and yields, relatively, large quantise of products" (CAPITAL Vol. I p. 305).

To understand capitalism and the markets within capitalism you first have to start with an analysis of the commodity. The commodity is the "*cell-form*" of capitalist production, an elementary form of social wealth and is both simultaneously the result and precondition of capitalism.

Marx sets out the correct starting point of analysing capitalism in his three volume work, CAPITAL.

"The wealth of those societies in which the capitalist mode of production prevails, presents itself as "an immense accumulation of commodities" (Marx: TOWARDS A CRITIQUE OF POLITICAL ECONOMY) its unit being a single commodity. Our analysis must therefore begin with the analysis of the commodity (CAPITAL Vol. I p.43).

The passage quoted above is very important. Capitalism is seen as an independent social system within human history, with a beginning and an end in class struggle. It presents itself-as an immense accumulation of commodities which includes the mental and physical ability of the worker to sell themselves to an employer for a wage or a salary.

It is therefore a mistake to take the market as historically given. To do so would be to commit an act of superficiality replicating the nonsense written in economic text books or in the financial pages of the newspapers which states that economic categories like capital, money, prices and markets are timeless. The labour market exists by the fact that the working class own no means of production; these are owned by the capitalist class and protected by the machinery of government.

Production is the basis of all human societies including a Socialist one. Production involves first and foremost the co-operative labour of human beings upon the raw materials of nature. The way in which society produces lies in the changing character of social labour.

Under capitalism labour is not free. The working class cannot directly produce what they need and for whom. They exist in a world of commodities which are produced for profit not to meet human need.

The commodity has a use-value in that it meets with a need but the need for a commodity says nothing about the way in which the commodity was produced. That is because the commodity has both a use-value an exchange value. A commodity must have a use value to sell but in having an exchange value the commodity can be placed in a relationship with other commodities. The question is what is the common factor which links one commodity to another?

The common basis that links one commodity to another is that they are a result of labour and are exchangeable in proportion to the abstract social labour contained within the commodities.

Mr Hari cannot understand what capitalism does to social and co-operative labour. The private ownership of the means of production forces social labour into the employment of individual capitalists in whose business they produce commodities which are sold on the market for a profit. Social labour rather than being transparent becomes opaque; a social relationship between people appears as a social relationship between things with money and the pursuit of money seemingly the ultimate fetish from the Forbes Rich List to the Lottery.

In slave and feudal societies exploitation was obvious, undisguised, open. The slave simply worked for the master in return for only food and shelter. The serf had to provide a certain amount of labour power to the landlord. But under capitalism, labour is free and is apparently exchanging on an equal footing with the capitalist, but there is still exploitation.

The question which should be asked is this; how does the capitalist end with more capital than he invested? Marx shows that the additional capital cannot be made in circulation although it is realised there but instead is created in the production process itself. Note, this means moving away from the market and looking at capitalist production.

And what do we find in capitalist production? We find a commodity whose use value is the source of value and this commodity is the worker's mental and physical ability to work, what Max called his labour-power.

The human labour power of the worker is a commodity-forced to be sold on the labour market because the working class do not own the means of production.

Like all commodities, labour-power has a value which is determined by the amount of socially necessary labour time needed for its production. Paying the price of labour power gives the capitalist the right to the use of labour-power.

As labour power is consumed, so surplus value is created to be distributed as unearned income in the form of rent, interest and profit among the capitalist class.

Wherever wage labour is being used in the production of commodities, exploitation or the generation of surplus value is taking place; that is, whether the company is Enron or a co-operative.

Are Co-operatives an alternative to corporate Capitalism?

Mr Hari, is a believer in co-operatives and sees in them an alternative to the corporate capitalism exemplified by Enron. However, there is a very sound Socialist case against co-operative businesses. To say that a co-operative does not have "*a boss*" shows someone completely unaware that in capitalism the "*boss*" is **capital** demanding capital accumulation as an anti-social activity in its own right. Unlike Hari, Marx understood this fact only too well:

"The development of capitalist production makes it constantly necessary to keep increasing the amount of the capital laid out in a given industrial undertaking, and competition makes the immanent laws of capitalist production to be felt by each individual capitalist as external coercive laws. It compels him to keep constantly extending his capital, in order to preserve it, but extend it he cannot, except by progressive accumulation" (CAPITAL Vol. 1, p.592 L&W).

The pressure of competition means that no business can afford to relax. If the business fails to maintain productivity of their workforce they will be undercut by competitors. Sales will drop, profit decline and they will become vulnerable to bankruptcy or takeover.

Competition forces the business to invest a share of surplus value they extract from the workers back into the process of production. The business has to keep expanding and introducing the latest available techniques of production even if it means laying off workers. Businesses are driven by competition to accumulate their surplus value as additional capital. The business is governed, as Marx put in the first volume of CAPITAL, by the slogan: "*accumulate, accumulate! That is Moses and the prophets...Accumulation for the sake of accumulation, production for the sake of production*".

In the minds of some people co-operatives have been seen as an alternative to capitalism and the large-scale corporation characterised by Enron. Some have erroneously believed co-operatives to be the equivalent of surfboards carrying the working class on a crest of a wave into socialism. This is wrong. Co-operatives cannot solve the basic economic problems of the working class as a whole or even of the co-operatives own work force. The workers in a co-operative are wage bound, they produce surplus value, the firm has to compete and if it fails to compete has to lay off workers or goes bankrupt-the fate of most co-operatives. Success usually means the need for external capital investment and the co-operative transformed into a large scale business as happened to the National Freight Corporation. The success of a co-operative is merely the success of an essentially capitalist undertaking with other capitalist undertakings not an alternative.

Co-operatives cannot free the working class from the exploitation generated by the wages system. Only Socialism will do that. The working class cannot escape the social problems caused by capitalism by setting up co-operatives. The working class must obtain for the use of society as a whole the means of production and distribution so that social and co-operative labour, the source of social wealth, can be freed to produce and distribute useful things to

meet social need. This requires conscious and political action by a socialist majority. With the establishment of Socialism, where world-wide common ownership and democratic control of the means of production pertains, there will be no classes, no employers, no buying and selling of labour power, and no markets. True co-operation can only be achieved by socialist methods.

BEAR-FACED IGNORANCE

People for the Ethical Treatment of Animals (PETA) have waged a futile three-year campaign to persuade the army to switch to man-made bearskins. The MOD has found that it is not profitable to switch from animal to man-made material.

There are three strands to this pathetic action which call for comment; the first is the political idiocy of PETA for believing it is OK for workers to kill other workers if they wear a synthetic bearskin rather than a bear's pelt, a reform organisation who do not question war and its capitalist cause but are prepared to waste their time and effort to campaign against the type of uniform worn by soldiers instead of questioning why the uniform is worn in the first place.

The second strand is the ignorance of the bear skin wearer who is soaked in nationalist poison and quite prepared to kill other workers whether the bearskin is synthetic or pelt. Watching the Trooping of the colour leads a sane person to want to throw-up. Nothing more than ruling class power and privilege as Feudal pageant.

The third strand is the Early Day Motion signed by 175 MP's calling for the army to switch to man-made bearskins. These political clowns, mainly Labour MP's, support the war in Iraq, support war if it is in the interest of British Capitalism, and who seem to be indifferent to the killing of one group of workers by another as long as the Bearskin is of the right material.

A futile reformism from PETA and an empty gesture politics from the MP's. Socialists are against a capitalist social system which clothes workers in uniforms for the purpose of protecting trade routes, raw resources and spheres of influence. In the process of establishing Socialism the Black bears have a better chance of survival than being shot for profit under capitalism.

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Pseudo-Science and Capitalism

Evolutionary Psychology (once known as Social Darwinism) is not poor science it is not science at all. It reduces all human behaviour to genetics. EP's adherent, like Richard Dawkins, even claims that religion is genetically caused.

The media love this nonsense and uncritically fill up the newspapers with every new pronouncement. Recently THE TIMES published without question a news item under the heading "*Millionaire material "in the genes"*" (06.06.06).

According to the reporter, "*Researchers studying 609 pairs of identical twins and 657 pairs of same-sex, non-identical twins in the UK found almost half a person's propensity to become self-employed was due to genetic factors and that environment and upbringing had little influence*".

The owner of THE TIMES, Mr Murdoch would love this spurious research even though he inherited his vast wealth from his father as his children will from him.

However, capitalism is only four hundred years old. There have not always been capitalists, self-made or otherwise. And the reverse holds true for the working class. And what about all those "*self-made*" capitalists who have become bankrupt, what does it say about their genes? Nothing!

The more questions that are asked about the methodology of the research of Evolutionary Psychology the more unsound and invalid the conclusions become.

R. C. Letwin, a leading geneticist, in his book "THE DOCTRINE OF DNA" (Penguin 1992) shows that evolutionary psychology is not science at all but ideology, beliefs and ideas supporting the ruling class. Tim Spector, the director of Twin Research and Genetic Epidemiology Unit at St Thomas's hospital, London admits this when he told THE TIMES the research was aimed at "*business schools and employers who, in the future could identify ways of selecting those who were most likely to succeed*".

Letwin argues:

"The vulgar error that confuses heritability and fixity has been, over the years, the most powerful single weapon that biological ideologues have had in legitimating a society of inequality. Since as biologists they must know better, one is entitled to a least a suspicion that the beneficiaries of a system of inequality are not to be regarded as objective experts" p.37)

And he concludes:

"history in fact transcends any narrow limitations that are claimed either for the power of genes or the power of environment to circumscribe us. Like the House of Lords that destroyed its own power to limit the political development of Britain in the successive Reform Acts to which it assented, so the genes, in making possible the development of human consciousness, have surrendered their power both to determine the individual and its environment. They have been replaced by an entirely new level of causation, that of social interaction with its own laws and its own nature that can be understood and explored only through that unique form of experience, social action" (p. 123).

And of course social action can change society. A political idea that will not be found in the media or in the research papers being sold to business schools and employers.

Labour: The Party of Business

The Labour Party has recently set up a club for London bosses where they can meet and lobby senior Ministers (EVENING STANDARD 10.04.06).

London in Business (LiB) members are told they are entitled to "*put questions to Ministers and discuss the interests of your business*". And that can only be the interest of profit and exploiting workers.

The bosses have to pay to join; £2000 for cockroach capitalists and £3500 for larger parasites. They are offered "*an opportunity for business to provide an input into the policy-making machinery of the Labour Party*"

Surely policy is made by members? Well, if you are a capitalist, Labour wants to have your money in exchange in making policy suggestions. Ordinary constituency members are there only to make up the numbers and inanely clap and cheer the speeches of the leadership.

Unlike ordinary Party members they can bring guests, including clients and colleagues to "*the prestigious events*". They will also be offered half-price tickets to the corporate day at Labour's annual conference and an invitation to the annual Labour Budget breakfast.

This is the class the Labour Party represents; the capitalist class, large and small. Workers who are members of this anti-working class Party should seriously consider why they are still members and get out. The only Socialist Party in this country is the Socialist Party of Great Britain. The only members the SPGB is interested in are Socialists.

Socialism: A Moneyless and Wageless Society

We have received an e-mail from Andrew Fisher of Exeter University his e-mail and our reply is printed below:

Dear Sir, I have read on your web site that the SPGB wants the abolition of money. Money plays a wide-ranging role. Without it, we would be living in a hopelessly inefficient barter system, requiring each of us to find the person who wanted, directly to trade their particular good for our particular good.

The search costs involved in finding the right person would be enormously high: the existence of money; a universal means of exchange, removes these search costs and, hence, leads to a much more efficient allocation of resources.

In this sense, money provides a benefit to the economy; it allows a higher production than would otherwise be the case and, hence, makes us all better off. So, how would a moneyless world advocated by the SPGB be an improvement on this situation rather than a recipe for chaos and inefficiency?

Andrew Fisher, University of Exeter.

Our reply:

First we must enquire into what money is and why it has become necessary. Money arose from the exchange of the products of labour. When products of labour are exchanged they become commodities containing both use-value and exchange-value.

With commodities constantly exchanging, inevitably one commodity emerges in which all others express their value. This special commodity as a universal equivalent becomes money.

Various commodities served as money in the early stages of commodity production, but eventually gold proved to be the most suitable. This was because as a product of labour gold contained value like other commodities, also it possessed certain natural properties such as easy divisibility and relative durability which are essential qualities for money.

Money is essential in a commodity producing society, but would have no use whatever in a socialist society, which would be producing goods for use not to be sold.

In your statement—"money plays a wide ranging role, without it, we would be living in a hopelessly inefficient barter system, requiring each of us to find a person who wanted. Directly to trade their particular good for our particular good".

We have to recognise that capitalism is not a system of simple commodity production where individuals produce with their own means of production selling their own commodities. Commodities under capitalism are not exchanged simply as commodities, but as products of capitals.

The fact is, under capitalism the vast majority who make up the working class do not have any goods to sell. As the working class do not own the means of production they have only their labour power to sell to an employer. The working class must sell his labour power in order to live, the capitalist employs the worker if he can make a profit.

It is a mistake to imagine that money was simply an invention for facilitating exchange to overcome the difficulties of barter. Marx explains

"The economists are in the habit of ascribing the origin of money to the difficulties which are encountered in the way of existence barter, but they forget that these difficulties arise from the development of exchange value and from the fact that social labour becomes universal labour. E.G., commodities as use-values cannot be subdivided at will, a property which they should express as exchange values" (A CONTRIBUTION TO A CRITIQUE OF POLITICAL

ECONOMY)

A world without money can only become a reality if the means of production are converted to common ownership and democratic control for the benefit of the whole community. This would be the basis of Socialism from which goods and services would be produced for direct consumption without the need for money.

Far from being a recipe for chaos and inefficiency it would place production and distribution on a rational basis. All that is produced would be under the control of society instead of blind market forces.

Your statement that "*...money provides benefit to the economy; it allows higher production than would otherwise be the case and, hence, makes us all better off*". But this is not true, money in itself is not the cause of high or low production, money is only the form that value takes in commodity exchange.

The workers labour power is also a commodity which has a certain value depending on the kind of job the worker does. The money received in wages is limited to the amount it costs to reproduce the worker for the particular job he is employed to do. But workers produce more value than they are paid in wages, this is surplus value which forms the profit for the capitalist. Money therefore does not make us all better off, it is only the capitalist who becomes better off through the exploitation of wage labour. The worker's standard of living is limited by his wages.

The anarchy of commodity production for profit is an inefficient form of production. When capitalists invest money in means of production and labour power to produce commodities, they can never know for sure if their commodities will be sold at a profit. If profits are reduced or if there is no profit, companies will postpone investment and sack workers, which is hardly a benefit to the economy.

As for money allowing higher production, it is rather the opposite. This is because the allocation of resources under capitalism is determined by profitability, this means that there is never enough produced in terms of satisfying human needs. There maybe, for example, more food produced than can be sold on the market, not that the need for food has been satisfied, people may be starving, but without money to buy the food, they must go without.

We now come to your question "*...how would a moneyless world advocated by the SPGB be an improvement?*" First, products of labour in Socialism will not be exchanged and therefore will not become exchange values requiring a money commodity to express their values.

The only value which products of labour will have in Socialism will be their use-values. But this is the very reason why production and distribution will be a relatively simple matter compared with capitalism.

The practicalities of socialist production would involve producing the right kind of products in sufficient quantities, so that all members of society would have access to what they needed. There is no reason why this would present great difficulties. As the bulk of goods and services are, for example, required on a regular basis, their constant reproduction in similar quantities should be a relative simple matter. Any changes in the quantities of these goods would only be in response to change in population, or any difficulties which may arise in obtaining materials for their production.

An important difference between capitalist production and socialist production would be that, increasing or decreasing demand for products under capitalism relates to the inability to pay, not to human needs. Whereas in Socialism it would relate solely to human needs.

Socialist production would be able to consider the impact on the environment and make sensible decisions which would cause the least damage to the environment as possible. Capitalist production is competitive in its drive for profit which often forces companies to disregard harmful effects on the environment.

Beauty in design, durability, usefulness, safety etc are some of the considerations Socialism would be able to put into practice freed from the primary consideration of profit. This is in contrast to the built-in obsolescence which characterises many of the products of capitalism. This causes goods to be discarded before they need to be, which is very wasteful both of natural resources and human energy.

Another extremely wasteful aspect of capitalist production is the production of goods and services which, though very useful, for capitalism would be of no use in Socialism. The production of weapons for warfare, for example, wastes an enormous amount of natural resources and human labour power. Banking, accountancy, all financial institutions, civil servants, salesmen, advertising, police forces, all very necessary to capitalism, but totally unnecessary in a socialist society would allow further resources and human labour power to be released for useful production in Socialism.

In conclusion, making sure that raw materials, energy and labour are allocated in the right proportions over the various spheres of production, in order to meet everyone's needs, will be a far more rational and easier task within a system based upon the common ownership of the means of production than it is under the anarchy of capitalism, complicated by markets, money, profit and competition.

Free Markets: Free For Whom?

THE TIMES (19. 06.05) was dismayed by voters in Slovakia rejecting "*a free-market government*". THE TIMES alleged that the economy "*was one of the most successful in Central Europe*". But then the reporter went on to say that there was "*high unemployment and a widening gap between rich and poor*". So the economy was only successful for the rich. Which is why THE TIMES likes free market economics, unless that is, it interferes with the interests of its owner who would like to destroy all his competitors leaving himself in a monopoly position.

Unfortunately, the voters in Slovakia have turned "*to the Left*" to sort out their social problems. The working class voters, those who constitute a majority in the country, should have studied other countries to see that Leftwing capitalism is just as useless in solving social problems like unemployment and poverty as Rightwing capitalism. The answer is to recognise the capitalist cause of social problems like poverty and unemployment and abolish capitalism altogether by the working class acting in its own interest. Something the working class in Slovakia has failed to do.

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The Power of Money

"*Money, money money*" sang Abba. "*Money makes the world go round*," sang Lisa Manelli in Cabaret. "*Easy Money*" sang King Crimson. Now Peter Jay praises its supposed virtue in his book "**THE ROAD TO RICHES**". He believes "*after sex money is our second appetite*".

Shakespeare had a better grasp of the meaning of money than Peter Jay when he wrote in **TIMON OF ATHENS**;

*Gold? Yellow, glittering, precious gold? No gods,
I am no idle votarist: roots, you clear heavens!
Thus much of this will make black white; foul fair;
Wrong, right; base, noble; old, young; coward valiant,
...Why, this
Will lug your priests and servants from your sides;
Pluck stout men's pillows from below their heads;
This yellow slave
Will knit and break religions; bless th'acurst;
Make the hoar leprosy ador'd; place thieves,
And give them title, knee, and, approbation, ...*

Money is an obsession but few understand what it is. Game shows, gambling, the lottery all have money as the end result; a means to have access to the world of commodities; fast cars, beautiful houses, holidays in the sun and smart boutiques. There is a whole industry monitoring what celebrities spend their money on. During the recent World Cup

more interest was shown in what the WAGs were wearing, eating and drinking than the performance of their HAB's on the pitch. (For more details on WAGs and HABs readers are referred to pornographic magazines like HELLO).

Money gives the owner power; the power to buy. Money opens doors and it also buys people. It buys journalists to lie, politicians to further class interests, chauffeurs to drive the cars; doormen to take the coat, waiters to come to the table, servants to clean the house, nannies to look after the children, private medicine and health care, the prestigious private school; personal trainers and body guards, a secretary to organise the day, membership of exclusive clubs, brokers to invest money, and accountants to tell how much there is in the deposit account.

And for a minority money as capital gives them a special power. As money capital it gives the capitalist the power to buy and exploit the commodity labour power sold by the worker. Money capital buys someone's ability to work in exchange for a wage or a salary. Money might appear as a thing but it is in fact a definite social relationship of class power and class subservience.

Marx understood money. In THE CONTRIBUTION OF POLITICAL ECONOMY he observed:

Only the conventions of our everyday life make it appear commonplace and ordinary that social relations of production should assume the shape of things, so that the relations into which people enter, in the course of their work appear as the relations of things to one another and of things to people. This mystification is still a very simple one in the case of the commodity. Everybody understands more or less clearly that the relations of commodities, as exchange-values are really the relations of people to the productive activities of one another. The semblance of simplicity disappears in more advanced relations of production. All the illusions of the monetary System arise from the failure to perceive that money, though a physical object with distinct properties represents a social relation of production (p.35).

And

Money is not just an object of the passion for enrichment; it is the object of it. This urge is essentially auri sacra fames (the accursed greed for gold). The passion for enrichment by contrast with the urge to acquire particular material wealth,...such as clothes, jewellery, herds of cattle, etc., becomes possible only when general wealth as such is represented by a specific thing and can thus be retained as a particular commodity. Money therefore appears both as the object and the source of the desire for riches (But from money first springs avarice...this grows by stages into a kind of madness, no longer merely avarice but a positive hunger for gold" (Plinius, HISTORIA NATURALIS, LXXXIII, C.III). The underlying reason is in fact that exchange-value as such becomes the goal, and consequently also an expansion of exchange-value (p.132). Money is not "an appetite" but an instrument of power which hides real social relationships. It is not a natural function but wholly social, with a beginning in history as it supersedes a barter economy, a history through different class societies climaxing with capitalism where money-capital expands through class exploitation and an end once production for use replaces production for profit.

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Three Swindles of Economics and Politics Part 1

Utility Theory *against* Labour Theory of Value

With the history of class struggle bidding goodbye to utopianism by kindling working class-consciousness via criticism of philosophy towards Marx's *Materialist Conception of History* critically resolving into the *Political Economy*, the foundation of theories began settling accounts with positivism since 1840s. This summoned a foe into the field of battle one positivist John Stuart Mill (1806-73) first to call into question the *concept of value*. Because the *Labour Theory of Value* was the heart of Political Economy up to that time. Mill portrayed value as 'metaphysical' tending to put the quantitative phenomenon of price and the intrinsic quality of a commodity called *utility* into focus of economics. However, he could not make headway with this project. Since beyond utopian socialist dreaming scientific socialism of the young Marx and Engels started situating its appearance on the arena.

Marx and Engels entered into their life long companionship through historical and scientific studies and contributions delving deep into the core of class societies with devastating consequences for the ruling classes of the world:

1. **Outlines of a Critique of Political Economy** (Engels, Oct-Nov 1843),
2. **Economic and Philosophic Manuscripts of 1844** (Marx, Apr-Aug 1844),
3. **The Condition of the Working-Class in England** (Engels, Sep 1844 to March 1845),
4. **The Holy Family** (Marx & Engels, Sep-Nov 1844),
5. **The German Ideology** (Marx and Engels, Nov 1845 to Aug 1846),
6. **The Poverty of Philosophy** (Marx, first half of 1847),
7. **Communist Manifesto** (Marx and Engels, Dec 1847 to Jan 1848) with the formation of the Communist League (London, 1847) and dissolution by 1852,
8. **The Eighteenth Brumaire of Louis Bonaparte** (Marx, December 1851-March 1852),
9. **A Contribution to the Critique of Political Economy** in (Marx, 1859),
10. **Inauguration of the International Working Men's Association** (IWMA or the First International, Sep 28, 1864), Marx's famous address (June 20 and 27 1865 at two sittings of the General Council of the IWMA) later published as Value, Price and Profit (first published English edition in 1899 by Marx's daughter, Eleanor Marx Aveling),
11. **CAPITAL**, Vol. I, Marx, 1867,
12. **The Paris Commune** (18 March to 28 May 1871, under the influence of the Blanquists and Proudhonists though) "formed of the municipal councilors, chosen by **universal suffrage** in the various wards of the town, **responsible and revocable at short terms**",
14. **The Civil War in France** (Marx, middle of April to end of May 1871)

In the United Kingdom political class struggle proceeded through rise and demise of the first working class party, the **Chartist Party (1838-1858)** with its *Six Point Charter: universal adult male suffrage (universal adult suffrage, originally), secret ballot, no property qualification for MPs, payment for MPs, equal constituencies, annual parliaments (to counter ballot-rigging and make MPs more answerable)****. However, the Charter persisted only as an **Idea in Petition**, suppressed yet dormant as a vital working class lesson.

*** ["These six points ... are sufficient to overthrow the whole English Constitution, Queen and Lords included," observed Engels later]

The Idea became active in the **Paris Commune, 18 March to 18 May 1871**, with the one new principle that it forged and fastened on to **universal suffrage: elected delegates "responsible and revocable at short terms"** (THE CIVIL WAR IN FRANCE, SW. 2, p. 220). Nevertheless, it lacked socialist content and the situation too was unripe, hence the fall of the Commune. *** Historically, however, in retrospect, given objective conditions ripe, this **bottom up elective principle** of class-wide organization and action with a clear-cut Socialist goal could dispossess the capitalist class eventually absorbing the state's socially useful functions into Socialism's liver while dissolving all oppressive organs, making political state with its political parties - ruling or otherwise - useless and die out.

*** People jeered at "*impossible Communism*"! Marx alluded to, because he saw, "Working men's Paris with its Commune will be forever celebrated as the glorious harbinger of a new society." (THE CIVIL WAR IN FRANCE, Marx Engels, SW. 2, p. 241)

Engels called it "*a new prospect ... the new weapon ... scarcely ever unsheathed*". "*For the full representation of labour in Parliament, as well as for the preparation of the abolition of the wages system, organization will become necessary not of separate trades, but of the working class as a body. And the sooner this is done the better*," (Trade Unions, written on about May 20, 1881, CW. 24, p. 388)

*** On "People's state" and the Character of an Election:

"*The character of an election does not depend on this name but on the economic foundation, the economic*

interrelations of the voters, and as soon as the functions have ceased to be political, 1) government functions no longer exist; 2) the distribution of general functions has become a routine matter which entails no domination; 3) elections lose their present political character. ...With collective ownership the so-called will of the people disappears and makes way for the genuine will of the co-operative." (Marx, Notes on Bakunin's Book STATEHOOD AND ANARCHY - written in April 1874-January 1875, CW. 24, Moscow 1989, pp. 519-20)

A superfluous class

On the one hand, unceasing intervention of Marx and Engels with their pathfinder studies culminating in publication of DAS CAPITAL Vol. 1 cleared the path of history by closing the role of philosophy and ideologies and opening the method of practical active organization towards human emancipation. The disclosure of complete superfluity of the capitalist class in modern society having the whole business of running capitalism top to bottom becoming hired functions of the working class stripped them off their theory wrap of Political Economy. On the other, the inability of the bourgeois democratic republicanism vis-à-vis the newly invented *Paris Commune Principle of Democracy* and its predictable adoption and application by the next organized initiative of the self-emancipating working class put them in apprehension of a forthcoming revolution. Furthermore, by slighting the "*measures proposed at the end of Section II*" of COMMUNIST MANIFESTO in 1872 as "*antiquated*" Marx and Engels actually pointed to the one revolutionary task of achieving Socialism since society's class divide had turned into its fetter to progress. "*And here it becomes evident, that the bourgeoisie is unfit any longer to be the ruling class in society and to impose its conditions of existence upon society as an over-riding law. It is unfit to rule because it is incompetent to assure an existence to its slave within his slavery, because it cannot help letting him sink into such a state, that it has to feed him, instead of being fed by him. Society can no longer live under this bourgeoisie, in other words, its existence is no longer compatible with society.*" (COMMUNIST MANIFESTO, Moscow, 1977, p. 48).

Nevertheless, already, Political Economy had discovered two contradictory elements in a commodity - *exchange and use*, and suffixed *value* to both. Marx revealed the dialectical essence of *value* (socially necessary labour) that conceives of an *exchange-value* (quantity - value of a commodity as expressed in exchange in terms another) and a *use-value* (quality - usefulness).

In addition, by the beginning of 1870's application of *differential calculus* to the natural sciences gave rise to the concept of "*margin*" leading to the so-called "*marginal revolution*". The exploiting and ruling class of society got up to live by this newly discovered "*marginal*" wit coupling with "*use value*" or just "*utility*" in their 'modern' economics too. Thus was born a skunk - the '*marginal utility theory*' preaching utility as a *quantifiable* entity commensurable with *money*. This false equation conceived of a germ cell that would produce its family of ideological diseases in time.

Its breeding season opened with the fall of the *Paris Commune* (28 May 1871) clearing History's course for legal revolution with new possibilities of revolutionary organization and action under changed circumstances giving rise to internal strife that ripped off the *First International*. The capitalist class made no mistake to learn their class lesson. They seized first the opportunity to vulgarize "*value*" with '*marginal utility*' in economics.

A Utility Theory and a Sham Democracy

William Stanley Jevons (England) published his *Utility Theory* in 1871. Karl Menger (Austria 1871) and Leon Walras (Switzerland, 1874) fell in a file projecting the subject of political economy in people's subjective attitude as reflected in relations of things instead of relations of production among people. A theory of *prices* entered as the savior of the capitalist class with Jevons and Walras conjuring up '*economic laws*' in terms of *demand* and *supply* - rise or fall of which interacts causing changes in prices.

In the political field too, now wiser and more confident capitalist class saw reason in extending their franchise about the governance of their own affairs gradually even to their would-be "grave-diggers". They raised a sham democracy *usurping suffrage* as an impotent *instrument of trickery* to block the powerful participatory democratic principles

invented by the Paris Commune.

They knew by then that they needed watertight policing of workers' brains besides policing their own properties and privileges to get the conditions of their continued rule over society reformed. Thus were born 'economic sciences', 'political science' et al.

This point onwards with many *reforms*, media *propaganda* and school *brainwashing* via the capitalist *curriculum* got going to turn workers and would-be workers (most students) subservient to the shrouded slavery i.e. wages-slavery in marriage with the sham democracy in a conspiracy of silence against Marx's *Labour Theory of Value* and the *Paris Commune principles of democracy*.

However, their path was not yet expediently clear. Great obstacles were there with Marx and Engels still alive working in the interest of the working class:

1. **Notes on Bakunin's Book Statehood and Anarchy**, (Marx, April 1874-January 1875),
2. **Critique of the Gotha Programme** (Marx, 1875),
3. **Anti-Dühring** (Engels, 1878),
4. **Socialism: Utopian and Scientific** (on request of Paul Lafargue, Engels rearranged three chapters of the Anti-Dühring in this booklet, between January and first half of March 1880)
5. **Karl Marx's Declaration of Principles** (May 1880),
6. **A Fair Day's Wages for a Fair Day's Work?** (May 1-2), **The Wages System** (May 15-16), **Trade Unions** (May 20), 1881 - Engels, published in THE LABOUR STANDARD, respectively (May 7, 21, 28 & June 4, 1881),
7. **A Working Men's Party** (Engels, mid-July 1881),
8. **The Origin of Family, Private Property and the State** (Engels, 1884),
9. **CAPITAL Vol. II**, Marx, shaped and published by Engels in 1885,
10. **Wage, Labour and Capital** (Lectures delivered by Marx 14-30, 1847, originally published in the Neue Rheinische Zeitung of 5-8 and 11, 1849, published as a booklet prefaced and edited by Engels in 1891),
11. **CAPITAL Vol. III**, Marx, prepared for the printer and published by Engels in 1894,
12. Many brilliant correspondences of Marx and Engels with their comrades, friends, and others raising the cause for Socialism.

Karl Marx passed away on 17 March 1883, and Engels on 5 August 1895.

Of great importance was the *Democratic Federation* founded in London in June 1881, which in 1884 became the *Social Democratic Federation* (SDF). Two increasingly opposite trends began taking root inside the *working class milieu*: (1) a progressive decantation of the Marxian materialist principles in order to get revolution freed from the quagmire of reformism by precisely defining socialism, and (2) a shrewdly reactionary, confused, and hence confusing distortion, which served idealist ambitions under the cloak of Marxism. The one set out with the so-called "*impossibilist (anti-reformist) revolt*" in the SDF giving rise to the *Socialist Party of Great Britain* in June 1904 with its pathfinder contribution to political class struggle towards the emancipation of the working class from wages-slavery en route to human emancipation. The SPGB defined the *Object of Socialism* and the *Declaration of Principles* showing the way through to the *new organization and movement without leaders*. Having learned the lessons of history and in adherence to the 1872 caution of Marx and Engels dropping the so-called '*minimum programme*' or "*transitional measures*" as "*antiquated*", this unique Party declared its sole aim SOCIALISM. Nevertheless, in the mean time, *Social Democracy* started making inroad into Marx's *Materialist Conception of History* distorting its theory and practice. There arose an array of '*possibilist*'*** (footnote from MARXISM & ASIA, p.5 top) groups and parties - 'possibilist' because, for them the only 'possible' way of doing things were the '*minimum programme*' or "*transitional measures*" with '*socialism*' as only a remote aim. By and by, corrupting the concept of '*socialism*' with '*state capitalism*' (Leninism) '*vanguardist*' leaders, so-called '*professional revolutionaries*', i.e. self-seeking careerist '*conspiratorial*' cliques rose to add ranks and give a new lease of life to capitalism by the left.

Where is all economists' faith since?

In October 1884, the magazine 'TODAY' published an attack against Marx's labour theory of value by the Reverend Philips H. Wicksteed. In January 1885, they published "A JEVONIAN CRITICISM OF MARX" written by George Bernard Shaw ('Fabian Socialist') declaring, "*I put myself into Mr. Wicksteed's hands and became a convinced Jevonian*". In April 1885, Wicksteed wrote a 'Rejoinder' (for a socialist refutation see the The SPGB, No. 19, pp. 9-14). Readers must note that Marx abusers got hold of the English readership prior to having there a published English translation of Marx's CAPITAL. The International Library edition of Volume 1 was published in London in 1886 and the Kerr edition in Chicago in 1906.

So it was high time for an Austrian economist Eugen Böhm-Bawark (1851-1914) to blissfully pound his imaginary last nail into a frightening coffin with the spectre of Communism/Socialism by writing his piece - "KARL MARX AND THE CLOSE OF HIS SYSTEM" published 1895 following publication of Vol. III of DAS CAPITAL in 1894. To thwart Marx's *Labour Theory of Value*, he proposed to measure *value* of commodities according to their *utilities* by scaling *satisfaction*. As if one could scale the love. Could anybody except pretentious liars ever quantify a *quality* (utility) anyway? Utility-utopians claim they could, using money as the measure. But, what is money in the first place? Isn't it also a commodity having quite a different utility placed in exchange against others? Utilities exchange not in their own terms but in terms of their exchange values. How the *exchange value* of a commodity beginning with elementary or accidental *polarity of relative* and *equivalent* forms transformed via the *general* form into the money form - the *universal equivalent* of all exchange values - is, however, a matter of history. Thus, with the marketing of the '*marginal utility theory*' an anti-historical, therefore, anti-social theoretical aggression against human intelligence and knowledge of social relativity got going to protect the interest of the superfluous capitalist class.

The proponents of "*vulgar economics*" since before Marx's days and afterwards - Thomas R. Malthus (1766-1834), Jean-Baptiste Say, James Mill, John Stuart Mill, John Ramsay McCulloch, William Stanley Jevons, Philips H. Wicksteed, Eugen Böhm-Bawark, Nassau William Senior, Frederic Bastiat, Alfred Marshall, John Maynard Keynes, Paul A. Samuelson, Milton Friedman, Walt Rostow and others masquerading 'modern economics', '*welfare economics*', these days '*reforms*' and '*private*' - had only one goal in common - attack *labour theory of value*. Their real purpose has been to rob the science of economics with their '*economic sciences*' that glorifies capitalism by dwelling in the superficial layers and adducing the appearance of phenomena as their essence.

Onwards, apologists of capitalism go telling us that Marxian analysis has become '*obsolete*', '*desolate*', '*irrelevant* in the present situation' and suchlike. There were manoeuvres to wipe out words - "*classes*", "*contradiction*", "*exploitation*", "*plunder*", "*oppression*" etc., but all in vain. Your will cannot kill which is not a product of your will.

'Poor' Marx - hence, 'poor' the working class!

Yet, irony is that nobody actually ever required visiting the vulgar economists save the Socialists to amuse themselves with the farce and some professors and teachers to lecture students about their brain-dead 'economic sciences' concocted by 'eminent economists'. Miserably, none would have bothered knowing even their names had they not set theirs against the one name Karl Marx. Marx's *Labour Theory of Value*, which measures value of commodities according to the *socially necessary labour* expended to produce them, and his scientific distinction between *labour* and *labour power* to solve the enigma of *surplus value* or *profit* lives to draw visitors anew - friends and foes alike, but again for opposite purposes, no doubt (Part II of this article from the WSP (I) will be printed in The SPGB 62)

US Warmaker-Israel

By the time this article gets into print- (this being a quarterly publication) the war of Israel against Palestine and the Lebanon, the deliberate bombing of a power-station in breach of so-called "*International Law*", which cut off electricity to 78% of Palestinian civilians for about a year, the bombing and shelling of towns and villages, will be in another hell, if, it has not become a wider conflict.

A typical report on 12th July was of an Israeli air-strike on a Gaza house murdering nine civilians including seven children from the same family. Three days later, Israel ordered some Lebanese villagers to leave their homes, when they did, Israeli planes attacked the convoy and murdered at least twelve villagers.

US President Bush said: "*I can't dictate Israel's foreign policy*". But he can and does supply their tanks, bomber planes and war-ships.

Channel 4 News (20th July 2006), reported that the US and the UK prevented the UN Security Council from calling for an "*immediate cessation of hostilities*". The US was described as; "*a biased bystander to carnage*" sitting on their hands.

This made the UN vote 190 against 3. So much for United Nations democracy. The socialist Party of Great Britain condemns the brutal militarism of World Capitalism. Workers should recognise their common interests and establish World Capitalism instead of butchering each other to further rival ruling class ambitions. "**Working men of all lands unite**"- Marx

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A Question of Gold

Gold is in the news again. Gold, Shakespeare's "*Yellow slave*" which "*will make black white, foul fair; wrong right, base, noble; old, young; coward, valiant; Will knit and break religions...place thieves and give them title, knee and approbation, with Senators on the bench...*" has never gone away.

Millions of words about gold, mostly of denunciation but still it holds its place. Seemingly, everyone wants gold.

Of course there are exceptions to this rule; notably economists bought up on the doctrines of Keynes and the belief that gold is unimportant in the economy and whose discipline on the printing of paper currency, they assert, holds back economic growth.

The Chancellor of the Exchequer, Gordon Brown saw no reason for gold. Between 1999 and 2002 the Chancellor made the Treasury sell 395 tons of gold -around 50% of the reserves held by the Bank of England. This was re-invested in foreign currencies which saw the Treasury lose \$6.6bn (INDEPENDENT ON SUNDAY 14th May 2006). So much for economic prudence!

Another gold-sceptic is Stephen King. Mr Stephen King, managing director of economics at HSBC has recently attacked those economists who want to restore the discipline of gold to the economy. Apparently some financiers and Bank of England officials have looked at gold as a means to hold inflation in check. This alarms Mr King who believes that no monetary discipline is required and that capitalism is self-adjusting if left alone by politicians and bankers.

In an article "*Why gold rings hollow as a worthwhile indicator*" (INDEPENDENT 6 May 2006) he states: "...*the gold price simply doesn't have the qualities needed in a miraculous indicator. It may be high at the moment, but that, in itself, provides insufficient information for anyone-central bankers included-to judge the economy's next steps*".

Mr King's dismissal of gold is an old criticism which Marx had something to say about. He showed (in CAPITAL, Vol. 1, chapter II), that the money commodity, whether gold or silver, is able to function as such because it is, in the first place a commodity having value like any commodities. Without this it would not have come to be the commodity in which all other commodities express themselves.

Marx mentioned John Locke, who thought that "*the universal consent of mankind gave to silver...an imaginary value*", and he quoted the pointed reply given by Jean Law, who asked "*How could different nations give an imaginary value to any single thing...or how could this imaginary value have maintained itself?*"

But though the value of the money commodity silver, or, as in the modern world for the most part, gold is as real as the value of other commodities, and capitalism needs the money commodity, that is not to say that there is any way in which its functioning can be made smooth and stable as many economists have supposed it could. Capitalism works by alternative expansion and contraction, booming trade, crisis and stagnation. And in these phases the capitalist attitude to money goes through corresponding violent fluctuations. When trade booms the capitalist is anxious to turn his money into commodities to reap the harvest of expected profit. But when trade turns sour, it is money alone he wants to hold.

As Marx put it:

"On the eve of the crisis, the bourgeois with the self-sufficiency that springs from intoxicating prosperity, declares money to be a vain imagination, commodities alone are money. But now the cry is everywhere: money alone is a commodity! As the heart pants after the fresh water, so pants his soul after money, the only wealth" (CAPITAL, Vol. 1, Kerr edition, p.155).

So sometimes there appears to be too much money and at other times too little and there is no way of avoiding this.

With regards inflation, price stability was maintained in the 19th century by the Gold Standard in that it prevented an excess issue of currency (notes and coins). It did this by legal requirements that the Bank of England note issues beyond a fixed amount had to be fully covered in gold held in the bank's vaults, and that notes were freely convertible into gold (and gold into notes) at a fixed rate of £1 being about 1/4oz of gold.

Since the 1930's there has been no such limitation on the amount of currency in circulation and prices have risen as a consequence. The total amount of notes and coins in circulation with the public, which in 1938 was £437 million, is now (January 2004) £ 36,015 million. An additional £735 million of Bank of England notes have been put into circulation in 2005 (Bank of England Statistics 2006).

Marx gave a reasoned explanation of the cause of inflation instead of the nonsense put out by the supporters of Keynes that it is caused by the working class struggling for higher pay.

In Volume 1 of CAPITAL Marx summarised the position:

"If the Paper money exceeds its proper limit, which is the amount of gold coins of the like denomination that actually can be current, it would, apart from the danger of falling into general disrepute, represent only that quantity of gold, which in accordance with the laws of circulation of commodities, is required, and is alone capable of being represented by paper. If the quantity of paper money issued be double what it ought to be, then, as a matter of fact, £1 would be the money-name, not of ¼ of an ounce, but of one-eighth of an ounce of gold. The effect would be the same as if a alteration had taken place in the function of gold as a standard of prices. Those values that were previously expressed by the price of £1 would now be expressed by the price of £2"
(CAPITAL Vol. 1, Kerr edition, Page 144).

Marx's example tells us that if the amount of convertible notes is double the amount of coins that had been in circulation, the price level will double. Conversely, if the amount of convertible notes is half the amount of gold coins that had been in circulation, the price level will fall to half.

Of course there is one method by which the world can rid itself of dependence on gold but not one of the monetary experts mention it - by establishing Socialism. Socialism is not a return to a barter economy but the abolition of the wages system, the labour market, the buying and selling of labour power, employees and employers. The private means of production would become common ownership and under democratic control by all of society. Production and distribution will then be directly and solely to meet human need, without trade, internal or international, without profit, payment or money.

On Journalists and Academics Defending Capitalism

Marx wrote in THE GERMAN IDEOLOGY that the ruling ideas were the ideas of the ruling class. Today these ideas are largely produced by politicians, journalists and academics. The government has dozens of advisors, from professors of e-democracy to Doctors of Law also producing ruling class ideas which end up as government policy. These ideas and beliefs have no bearing on reality but are merely used to serve sectarian or general capitalist political interests. Samuel Butler commented on this intellectual prostitution in the 17th century:

What makes all doctrines plain and clear?-

About two hundred pounds a year.

And that which was prov'd true before,

Prove false again?-Two hundred more.

Samuel Butler, HUDIBRAS, 1678, part iii

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Marx's Understanding of Capitalism

For the purpose of understanding Marx, we suggest the following pattern of study.

First, obtain a copy of THE COMMUNIST MANIFESTO; be sure to get an edition that has the 1872 joint Preface by Marx and Engels, and Engels' 1888 Preface.

These Prefaces make clear that the reformist demands at the end of Part II, were obsolete long before the end of the nineteenth century and are in any case, against the Revolutionary analysis of capitalism and the call for working class conscious and political action to end this system. Also, the European so-called socialist parties mentioned in the last part had mostly ceased to exist by 1888.

Read intelligently in light of these two Prefaces, THE COMMUNIST MANIFESTO remains an excellent introduction to socialist ideas, "*...there can no longer be any wage-labour when there is no longer any capital*".(Page numbers vary).

This remains central to the Socialist case.

THE COMMUNIST MANIFESTO also describes the nature of the class-struggle under capitalism, and affirms the need for political power to be gained by a majority of conscious workers to end this system. The rejection of leaders, it also exposes the private-property basis of the institutions of capitalism.

Next we suggest reading THE GERMAN IDEOLOGY. Although written a year or two before the MANIFESTO its contents show the development of Marx and Engels' thinking leading to the MANIFESTO and the break with the Hegelian philosophy and the ideas of earlier theoreticians. This work is important to grasping Historical Materialism which is to society, what light is to astronomy. The scientific foundations upon which socialist ideas are built are the only sound and reliable basis for a socialist party.

The students Edition edited by C. J. Arthur: SBN 85315 2179, should still be obtainable from Lawrence and Wishart.

As a more detailed introduction to Marx's economic analysis, Value, Price and profit is a good place to start. By now you will be familiar with much of the terminology, the antagonism between capital and wage-labour will be clear.

The production of SURPLUS VALUE (Chapter VIII) explains the central grounds for the Marxist theory of exploitation and shows that profits arise from unpaid labour.

This work with its explicit conclusion demanding "*the abolition of the wages system*", is a valuable building block which has exposed leftist, self-styled Marxists for many years. Supporters of Soviet State-Capitalism could never accept that the hall-marks of capitalism -value, money, prices, wages and profits existed in their Leninist "*paradise*"

so they invented a figment called the workers-state, where capitalist economics were simply renamed "*socialist*".

The next logical step is to read Marx's THE CRITIQUE OF POLITICAL ECONOMY. As translator N. L. stone points out in the 1918 Kerr edition, Marx had originally regarded the Critique as the first instalment of a complete treatise of political economy and it deals more thoroughly in some matters than does Volume 1 of CAPITAL, which appeared eight years later.

Perhaps the most vital aspect of the book however is the Author's Preface. Here Marx expresses in clear detail his class theory of Historical Materialism. This is worth going back over again and again, the transitory nature of capitalism made clear.

By now you should be ready to read Volume 1 of CAPITAL. Best to obtain a copy with the Author's Prefaces to the 1st and 2nd Edition.

Marx has some beautiful digs at the nonsense of religion and cleverly ties them into the nonsense of commodity production. One example must suffice.

"There is a definite social relation between men that assumes, in their eyes, the fantastic form of a relation between things. In order, therefore, to find an analogy, we must have recourse to the mist-enveloped regions of the religious world. In that world the productions of the human brain appear as independent beings endowed with life, and entering into relations with one another and the human race. So it is with the world of commodities with the products of men's hands" (Page 83. Kerr edition).

Together with, or after reading Marx, you will find the publications of The Socialist Party of Great Britain, our pamphlet and The SPGB to be a valid application of Marxist ideas to modern capitalism.

Although the party derives its basic class/revolutionary stance from Marx, our case is our own in the sense of being independent, having developed over more than a hundred years. Our Object and Declaration of Principles drafted in 1904, remains unchanged in all our publications, this statement is fundamentally Marxist.

[This is taken from the Fact Sheet produced for the second lecture at The Summer School of The Socialist Party of Great Britain held at Marchmont Street, London on 11th of June 2006.]

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Burning Flags

The national flag is a symbol of war, plunder and violence. It is a representation of the capitalist State in which class exploitation takes place.

To annoy the US or Britain mobs from other countries burn the Stars and Stripes and the Union Jack. In the US and Britain ignorant workers wave the national flags at football matches, drape them from cars or huddle themselves within their cotton fabric made in China by an impoverished nine year old.

Primitive minds paint the Cross of St George or its equivalent on their faces.

The State believes that no one should burn the national flag within the contours of the country. They believe it is secular blasphemy. A protest too far. You cannot burn the national flag in China, North Korea, Iraq, Iran and Cuba without being arrested and punished.

In the US there is a movement to prevent the national flag being burnt by protesters. Some MPs in Britain and Australia have also called for a ban. Can you begin to understand the ignorant thought processes of someone who wants to legally prevent flags being burnt?

The working class has no national flag. When they line up along a route taken by a monarch or a President they wave a flag representing the interests of the capitalist class. They wave a symbol of their class servitude and exploitation.

There will be no national flags in Socialism. There will be no nation States. No artificial barriers preventing free men and women moving across the planet.

Socialists want a world without national flags and a servile class who wave them. We want a world where they are not draped over the bodies of dead soldiers returning from wars in which they had no class interest. We want a world without national flags.

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Taxes, Wage-Labour & Scrap-it-All

Superficially, economics today appears to be more complicated than in Marx's time. Among the factors in this seemingly greater complexity are multi-billion pound pension schemes, swipe-card shopping, indebtedness running at a trillion pounds and more intricate taxation systems which appear to involve workers as well as capitalists.

Money spent by governments on workers' health, welfare and education, serves the capitalist class when they access the labour-market. The workers occupy the same fundamental position in society today, as they did a century-and-a-half ago namely, that of employees, wage slaves.

Since Marx's time vast, new, world embracing industries have sprung up. The cinema, television, the air-craft and motor-car industries, rocket propulsion and satellite systems orbiting the earth.

On the surface, the world has become a vastly different place since Volume 1 of Marx's CAPITAL was published nearly 140 years ago, and yet, all the economic changes mentioned above, have taken place within the social-productive relations of capitalism that is, within wage-labour and capital relations.

Karl Marx was undoubtedly right to look beneath the institutional and bureaucratic appearance of things, and to make the starting point of his analysis, the study of commodity production:

"The wealth of those societies in which the capitalist mode of production prevails, presents itself as "an immense accumulation of commodities", its unit being a single commodity. Our investigation must therefore begin with the analysis of the commodity".

This is how Marx began his masterly analysis of capitalist production, with a simple statement of fact regrettably, as true today as it was in 1867.

This wealth of commodities is composed of all those things that are bought and sold and reproduced and have in common that they are the products of human labour applied to natural resources and are useful, they have a use-value, but not to the owners of their means of production. The object of their production is sale with a view to profit. To the owners of the means of production they are exchange-values to be disposed of on the markets of the world for profit. If no profit is forthcoming regardless of need, production ceases.

It is important to understand that commodities sell at a price which expresses their full value. No robbery takes place at the point of sale. Profits, rent and interest (surplus value) are already contained (latent) in the products of social labour, profits are only realized at the point of sale.

The component parts and time taken to produce virtually any commodity are subject to change. New machinery to speed up production, cheaper sources of new materials, use of alternative materials (plastic for example) plus constant attempts at reducing the socially necessary labour time in each commodity, all this within the framework of

the class struggle, which presupposes resistance by the workers to the quest for ever greater profits by the capitalists. Whether the worker is employed producing parts for highly technical modern aircraft or more mundane food, clothing and shelter, or engaged in paper-work administration, teaching or transport, the entire class of wage and salary employers (world-wide), is exploited by the entire class of employers-capitalist owners of the means of production world-wide.

The tendency for the amount of socially-necessary labour time in each individual commodity to decline means less profit in each such unit. This however, is more than offset by an ever increasing mass of profit. So as the rate of profit tends to decline, the mass of profit increases. This in turn intensifies the struggle for markets which squeezes out the less efficient producers and also gluts world markets to create economic crises.

Engels deals in detail with the forces of capitalism producing crises, in Part III of ANTI-DUHRING:

"The enormous expanding power of large-scale industry, compared to with which the expanding power of gases is mere child's play, now appears to us as a necessity for both qualitative and quantitative expansion that laughs at all counteracting pressures. Such counteracting pressure comes from consumption, sale, markets for the products of large-scale industry. But the capacity of the market to expand, both extensively and intensively, is controlled by quite other and far less effective laws. The expansion of the market cannot keep pace with the expansion of production. The collision becomes inevitable, and as it can yield no solution so long as it does not burst the capitalist mode of production itself, it becomes periodic" (p. 303).

A brief outline of their theory of crises appears in the much earlier work; "THE COMMUNIST MANIFESTO":

Commodities as the units of wealth under capitalism must be capable of constant reproduction. Marx's analysis deals with the unique commodity human labour-power. This commodity has a feature not found in any other commodity namely its capacity to create values far in excess of those required for its own reproduction. If this were not true, there would be no surplus value for the employing/owning class and no capital renewal. Wages are the price of labour-power. The cost of reproducing labour-power must include all those things workers need to guarantee their continuing ability to work.

Just as with other commodities there is a struggle to buy as cheaply and sell as dearly as possible. There is a class-struggle between workers and capitalists. The law of supply and demand plays its part in the rise and decline of prices including wages.

It follows, that if the prices of the components of labour-power food, fares, clothing, heating and shelter go up or down, there will be a demand for wage rises in the one case and pressure to reduce wages in the other. Channel 4 News for example on March 13th reported that wage demands are likely to be made to account for higher gas prices.

Competition for jobs on the labour-market, will tend to depress the price of labour-power and conversely, competition among employers for particular skills will tend to push wages up.

There is nothing automatic about the upward and downward adjustments to changing labour-market conditions. The general anarchy of capitalism may mean that labour-power like other commodities will sell briefly above its cost of production at one stage and fall below it at another. The substantial rises in gas and electricity prices, also the upward trend in some food prices are examples of the latter case.

Workers are exploited by working for wages, not by paying taxes, National Insurance, or having "*stoppages*" taken from their wages.

Workers are poor or "*struggle to make ends meet*", not because they pay various taxes, but because they work for wages as a class of employees owning no means of production. It is this wage-slave status that must be ended in order to achieve emancipation not the payment of taxes. If there were no "*stoppages*" noted on pay slips and no purchase taxes, wage levels would fall to exclude what they no longer had to spend, workers would still get only the full price of their labour power. It is nonsense to imagine there would be a huge rise in wages above what it costs to maintain the ability of workers to work.

CHAOS APLENTY

Capitalism is a system of contradictions, first among which is socialised production meaning that the mining cultivating, machinery, packaging, transporting and selling of just about everything we use involves workers in various parts of the world in the productive effort, while ownership of the factories, land, mines, offices and transport systems is concentrated in the hands of a minority class that takes no part in production. It is a contradiction that the useful class suffers exploitation, poverty and periodic unemployment while the parasite class accumulates wealth. The fact that society is able to produce spacious comfortable housing while millions live in cramped and shoddy slums is another contradiction.

Marx may not have lived to see television or the aeroplane, but modern innovation would hold few surprises for him. He was very well aware that:

"The bourgeoisie cannot exist without constantly revolutionising the instruments of production and with them the whole relations of society"

And

"Constant revolutionising of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation distinguish the bourgeois epoch from all earlier ones (THE COMMUNIST MANIFESTO p. 14).

In constantly revolutionizing the instruments of production and the relations of society capitalism forces workers to become part of the world-market consumerism. This means that television, motor-cars, mobile-phones and computers, etc., become incorporated into the "needs" of social labour-power even if as with the motor-car they are paid for over several years. Consumerism is not aimed at maximising human happiness and fulfilment, it is simply part of the ever expanding market-profit economy wherein the capitalist class amass ever growing wealth and workers remain employees selling their labour-power for wages.

The working class as individuals spend most of their time moaning and belly-aching about the effects of the system they vote for.

It must be remembered that increases in social production means that labour is being made more and more productive. Marx pointed out that the capitalist can intensify exploitation by speeding up production, extending the working day and by extracting greater output in a given period. Consumerism does not change the position occupied by the worker in society. It is always the take-home pay that the worker has to spend which represents the price he/she has sold themselves for, not "*stoppages*", which they never see. Taxes which workers appear to pay in reality, have the effect of spreading the tax burden of capitalism over the capitalist class as a whole.

Relatively high wages no more set aside the exploitation of wage-labour than do golden chains remove the bondage of the chattel slave.

"But does wage labour create any property for the labourer? Not a bit. It creates capital, i.e., that kind of property which exploits wage-labour and which cannot increase except upon condition of getting a new supply of wage-labour for fresh exploitation. Property, in its present form, is based on the antagonism of capital and wage-labour (THE COMMUNIST MANIFESTO by Marx and Engels p. 30).

Finally, the economic laws of capitalism and its system of wage-slavery do not apply to old, retired workers on fixed incomes. Pensioners are no longer selling their labour-power so do not need the cost of its reproduction. Their limited fixed income means that Council Tax increases and higher gas and electricity costs will further increase their dire poverty. They too, have supported capitalism all their lives.

The position of workers in employment is an economic factor in the production of profits. The lot of the pensioner is political. They are no longer productive; their labour-power is no longer of consequence to capitalism. They are

treated with cynicism and contempt by capitalism's politicians. Before another generation goes through the absurd cycle of wage-slavery to discarded liability, it is time surely to stop agitating about effects such as taxes and organise consciously to abolish the wages system by using political power to make the means of production common property.

Unemployment and Insecurity

It is a sharp reminder to workers that they do not own the means of production when those who do own announce the closure of a factory. Peugeot in Ryton is only the most recent in the car industry which is notorious for such tactics. Peugeot plans to move production to the Czech Republic to save £90 million a year and to be near the growing market in Eastern Europe.

With unemployment having risen by 77,000 in three months to the highest level since 2002, the insecurity of workers under capitalism is a permanent feature of this system. Digby Jones, outgoing chairman of CBI said the education system is continuing to fail. Half of all school-leavers are unfit for the "job-market" (TELETEXT 23/6/06). Unemployed before they start. The system fails all round

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Capitalism Causes Pollution

Dear The SPGB. Capitalism is often attacked for causing global warming. But one of the largest and fastest-growing of world-economies, China -which has more than a billion people-functions under a Communist ideology. This was also true of the former Soviet Union, which had been belching out pollution for more than half a century prior to its demise in the 1990's. It is not evident that a change in political ideology is the solution to a climate change problem.
Adrian Smith by e-mail

Reply: Thank you for your e-mail. The error in your reasoning is that you fail to distinguish between what a Nation State says about itself and what it is in reality. The Chinese government might claim to be "Communist" but the existence of the wages system, class exploitation and the ownership of the means of production by the State along with its coercive system of class control demonstrates that China is a capitalist country. More so when you see that China is competitively engaged for profit on the world market. The same applies to the old Soviet Union where there never existed common ownership and democratic control of the means of production by all of society. So yes, capitalism does cause global warming no matter how a particular capitalist country might describe its political system.

This leads on to the cause of global warming and pollution. Capitalist production takes place for profit not in meeting human need. The problem for reformers trying to get to grips with pollution is to get agreement, in capitalist terms, between competing nation States with their own economic interests, then policing the legislation and the way legal enactments clash, are modified, watered-down or ignored by the fact that the means of production are owned by a minority class to the exclusion of the rest of the world's population.

Pollution and global warming can only be tackled within the framework of Socialism where production will be for use and there is common ownership and democratic control over the means of production and distribution.

Capitalism's politicians and reformers cannot solve social and environmental problems for the benefit of all society which commodity production and exchange for profit alone creates profit. Legislation, policy initiatives, meetings of world leaders fail to grasp the fact that the pursuit of profit is the cause of global warming and Socialism the solution.

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Hyde Park's Bible Belt

The years following the end of World War II to go back no further, saw Hyde Park as a huge open-air forum for arguing mainly political ideas.

The Socialist Party of Great Britain, having stood alone in opposition to the war, continued to press the case for Socialism.

Sure enough, Lord Soper spoke from a Methodist platform, but even he was political, being a reformist member of the Labour Party.

The national Secular Society was also there arguing for political reform against religious indoctrination in schools.

Overwhelmingly, discussion was political. The War and the post-war Labour government's rearmament programme in readiness for a possible future war against erstwhile ally the Soviet Union, provided material for lengthy exchanges of strongly held views.

The so-called Communist Party, having enjoyed a period of popularity as Russia's mouth-piece against Nazi-Germany, soon found themselves having to defend dictatorship as relations between the West (led by the US) and the Soviet Union declined to the point where Russia was regarded as a future enemy of American and British capitalism.

The SPGB continued to expose the state-capitalist nature of Soviet society and the policies advocated by their CP agents which included supporting the post-war Labour Government.

This was also the era of post-war nationalisation which was falsely passed off as Socialism by both the Labour and "Communist" parties, with the Tories cashing in as its popularity declined when no social problems were solved.

All of this politicism served to heighten the debating atmosphere in Hyde Park for and against the many issues involved. "Peace" movements were also springing up at the time.

Politically, there was a certain grudging respect for The Socialist Party of Great Britain among a minority element of opponents who, despite disagreeing with us, had to accept that we had consistently argued the same case and did not favour any one opponent above another. There were also many hard-line hacks who were often quite hostile, and not just politically so.

However wrong our political opponents were (and are), the real world of real people and how it should be run was the arena common to both sides, those preferring capitalism in one guise or another and the SPGB wanting it abolished in favour of Socialism. It was not uncommon to have our political opponents quote (or mis-quote) favoured bits from Marx, it was always interesting to listen to Party speakers clarifying the real issues involved.

For some years now this worthwhile forum has changed. The Socialist Party of Great Britain is all that is left of politics and real world arguments.

Just when the rot set in is hard to pin-point but certainly now religious mumbo-jumbo everywhere assaults one's senses. There are four or five religious platforms for the most part with audiences less than a quarter of those of fifty years ago.

Who are the most able mystifiers with the "*right*" pieces about the "*right*" god, is the main concern of those involved.

Going around with The SPGB gives an opportunity for young men in their mid-twenties, to detain you and ask with great earnest "*what will happen to you when you are dead?*" They will assure you that to deny their god will bring eternal damnation whereas to heed his words will bring eternal "*bliss*" of heaven. About five yards to your right

meanwhile, another young man with an open Bible is pursuing someone who got some "vital" piece of twaddle wrong.

For these believers in bliss beyond the grave, the world of commodity production and the exploitation of wage-labour is nothing, fantasy is their main concern. They inhabit what Marx called "*the mist-enveloped regions of the religious world*", of which he said:

"In that world the productions of the human brain appear as independent beings endowed with life and entering into relation both with one another and the human race"

(CAPITAL, vol. 1, p.83 Kerr edition).

If we consider the production of their brains regarding the place in which they wish to spend their "eternity", it is conceived to be inhabited by all the toadies and servants of the parasite classes of the ages. Countless thousands of priests and parsons who on earth helped to keep peasants and workers on their knees, the capitalist class who paid them and in whose interest they operated., the commanding brass of the military establishment whose war-making for capitalism the men-of-the-cloth blessed and any workers who served their masters' interests to the detriment of their own. There can surely be no worse hell than that.

Heaven and Hell are nothing more than the posthumous version of the Reward and Punishment syndrome of private-property society. The capitalist class and their religious lackeys are not content to have their wage-slaves submissive and obedient to their masters' wealth and dominance by coercive legal means, they use fear of damnation in an after-life guaranteed by the god of property and profits.

Those self-appointed authorities of what "god-said" are always extremely selective about what they quote from the Bible. You are very unlikely to hear them refer to:

"Thou shalt no suffer a witch to live" (Exodus 22-18).

Or

"he that sacrificeth unto any god, save unto the Lord only, he shall be utterly destroyed" (Ibid 22-20).

Matthew 10-34 is also not a first choice for the Bible belters:

"Think not that I am come to send peace on earth; I come not to send peace, but a sword".

There are countless statements that convey nothing amenable to rational understanding. How they get their minds round the ludicrous nonsense of Genesis is itself something of a "*miracle*".

They teach children and believe themselves that:

"In the beginning god created the heaven and the earth...And god said, "let there be light": and there was light...and god divided the light from the darkness".

(GENESIS 1-1.3 and 4).

"And god made two great lights: the greater light to rule the day and the lesser light to rule the night: he made the stars also"

(GENESIS 1-16 King James Edition).

Whoever wrote these inanities was totally ignorant of the most rudimentary astronomy. The moon is not itself a light but a reflector of the sun's light.

The stars are self-luminous bodies of the same nature as our sun, they are countless in number and separated by vast distances reckoned in light-years. The age of the universe is understood in terms of billions of years, not the mere few thousand the creationists believe and there never has been a time since its formation from earlier forms of

matter, when light did not exist.

To talk of dividing light from darkness should insult the intelligence of any thinking person; they cannot physically co-exist at the same time in the same space.

"*In the beginning*" is also nonsense. What was there before the "beginning", god on his own in ageless darkness?

Religionists can conceive of a self-creating god existing for all time and creating a universe from nothing, but the idea that matter evolves, forms solar-systems and galaxies in a process of constant change is just too much for them.

It is important for Socialists to argue the materialist case. While workers are on their knees the ruling class will remain on their backs. For workers to understand Socialism, it is necessary for them to see the real nature of the world they live in.

With the establishment of Socialism, human beings will consciously and democratically run the world to satisfy the needs of all. Commonly-owned means of production and natural resources will mean men and women running their own lives. The supernatural will have disappeared.

To that end let's rescue Hyde Park from the agents of eternal nonsense. "*He made the stars also*". Bully for him!

ROYAL WORTH

Near the end of June, disclosures were made about how much money the Royal Family received each year. The brainwashing industry commonly referred to as the "*media*" did its usual grovelling job of steering discussion onto the "*value for money*" question and simplifying the cost at a "*mere*" 62p per head of population annually, totalling £37.4 million in the last financial year.

The question of why, in a so-called democracy, this particular family of unelected hereditary parasites rather than any other should be beneficiaries, was never raised. With Buckingham Palace, Balmoral, Sandringham and Windsor, the obscene wealth of these parasites has to be set against homeless people on the streets and millions living in dingy, decaying slums.

Whilst the Prince of Wales managed to scrape by on £14m last year an increase of £800,000 on the year before, eleven million pensioners would regard just ten of those 62p's per week as generous.

£800,000 is more than anyone on £12,000 a year would earn in a life-time. Workers must wake up and see who produces the wealth of the world, and stop lavishing the greater part of it on non-producers.

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The Use of Bourgeois Law against Socialists

The Clapham-based Socialist Party - Just Another Capitalist Party

Readers of The SPGB will be aware that since the reconstitution of the Socialist Party of Great Britain in June 1991, the Clapham-based Socialist Party has tried by every means, both to prevent us taking political action required by the Object and Declaration of principles and to destroy us as an organisation.

The Clapham-based Socialist Party prevented our first meeting taking place, they tried to obtain our money through the courts, they reported us to the Inland Revenue and they even wrote to political opponents, that is defenders of capitalism; telling them not to debate with us.

More recently they have tried to disrupt our Socialist propaganda on the internet. In July 2006 they succeeded in preventing The Socialist Party of Great Britain having access to our own web address. This has caused us a temporary problem which has been rectified.

The Clapham-based Socialist Party have used bourgeois law to take away our web address. They believe Socialist ideas, the Socialist case, the OBJECT AND DECLARATION OF PRINCIPLES, including the full name of the Party can be secured by legal means as though they were a business organisation like McDonalds. They have attempted to replace the political class struggle with bourgeois law and process.

However, the name "*The Socialist Party of Great Britain*" only carries significance in terms of the SPGB's OBJECT AND DECLARATION OF PRINCIPLES set-out in 1904. The OBJECT AND DECLARATION OF PRINCIPLES is a wholly political and revolutionary document.

The OBJECT AND DECLARATION OF PRINCIPLES states that the 8 clauses are held by The Socialist Party of Great Britain, not the Socialist Party.

Clause 8 specifically makes reference to The Socialist Party of Great Britain taking "*political action*", not legal, but political action.

The working class are asked to "*muster*" under the banner of The Socialist Party of Great Britain.

When someone wishes to join the Party they have to understand and agree with the OBJECT AND DECLARATION OF PRINCIPLES of The Socialist Party of Great Britain, not the Socialist Party.

Expelled members from the Clapham based Socialist Party originally joined The Socialist Party of Great Britain by agreeing with the OBJECT AND DECLARATION OF PRINCIPLES of The Socialist Party of Great Britain., they still agree with the OBJECT AND DECLARATION OF PRINCIPLES of the SPGB and still take political action in the full name of the Party.

This overrides any other consideration. The Clapham-based Socialist Party, if they were not political cowards, should have changed the Principles to the new name they took political action under. But they were more interested in legacies and preventing sound Socialists taking political action in the full name of the Party than principle and turned the OBJECT AND DECLARATION OF PRINCIPLES within their organisation from a political manifesto to a legal document now enshrined in capitalist law through the Electoral Commission.

The OBJECT AND DECLARATION OF PRINCIPLES is but an expression of political class consciousness and political action necessary to understand and abolish capitalism and to establish Socialism. It cannot be turned into a museum piece or constrained by legal enactments to become a means to collect wills and stop sound socialists taking political action in the full name of the Party.

The reconstituted Socialist Party of Great Britain are confident that principle will overcome bourgeois tactics and the working class will see the Clapham-based Socialist Party for what they are-just another political party of capitalism.

If they are not just another political party of capitalism the question as to why they have spared no effort for fifteen years to prevent The Socialist Party of Great Britain from functioning as a single-purpose Party for Socialism is unanswerable.

The most avowed enemies of socialism have never stooped to using the despicable tactics employed by the Clapham-based Socialist Party.

Web of Intrigue

To appease the anarchists in their organisation the Clapham based Socialist Party stated (Conference resolution 1984) that they wanted the immediate abolition of the State. Except, that is, when they wanted to use the machinery of government against Socialists using the OBJECT AND DECLARATION OF PRINCIPLES established by The

Socialist Party of Great Britain in 1904.

By registering the name "*The Socialist Party of Great Britain*" with the capitalist State the Clapham- based Socialist Party has attempted to use bourgeois legislation to prevent Socialists carrying out political propaganda on the web as The Socialist Party of Great Britain.

The problem for the Clapham based-Socialist Party was the realisation that their own poor propaganda was not being read as widely as our own. Most places on the web where key economic and political questions were being posed we had an entry taking the reader back to our web site. The Clapham-based Socialist were no where to be seen.

More recently, the Clapham- based Socialist Party has forced the BBC to take down our posting for meetings at Marchmont Street. The clear intention is to stop sound Socialists taking political action within the OBJECT AND DECLARATION OF PRINCIPLES of The Socialist Party of Great Britain. In this they will fail. The SPGB will not be air-brushed out of existence.

Socialists and the Bourgeois State

Our opponents, the Clapham based-Socialist Party have sunk so far as to invoke the law in their desperate search for some means to silence us, to suppress us as an organisation.

Let us remind them of how the 19th century opponents of Socialism used Bismarck's Anti-Socialist legislation in their attempt to suppress the workers' movement in Germany. And of how that failed.

Let us point out to these, sham-socialists that laws are passed by capitalism's parties to protect capitalist interests, not the interests of the working class.

For the Clapham- based Socialist Party to rely on capitalist laws to seek to ban or suppress us as a Party - The Socialist Party of Great Britain - is beneath contempt.

They should consider this point: laws are not mere pious exhortations; they can be enforced by the police, the law courts and the jails, in short, by the coercive forces of the capitalist State.

How then can they - should they - deal with the problem of our opposition to them? Obviously by answering our arguments -by means of debate, not by invoking the coercive forces of the State. Only a capitalist Party would act in this way. These people have clearly forfeited the right to be recognised as socialists.

The Socialist Party of Great Britain, from the start, has never claimed the protection of copyright laws for its name or publications; the same principle applies today as it did in 1904.

The capitalist State, its laws and the coercive forces needed to enforce its laws -these operate in the interest of the capitalist class, not in the interest of those who seek to persuade our fellow-workers of the urgent need to end capitalism and establish Socialism.

If proof were needed that the "*Socialist*" Party at 52 Clapham High Street is a sham, a pseudo-socialist Party, operating **against** Socialism, and against the interest of the working class, their actions this year have provided that proof.

Socialists - The SPGB-have never sought to have our opponents banned, or their voices stifled by the state censorship. Our Socialist case is a strong one, which we know how to debate.

Our challenge to all our opponents is carried in the DECLARATION OF PRINCIPLES, printed on our leaflets and in all our pamphlets. Political debate is the best, the only way, to sort out political differences not capitalist law, the law courts and the machinery of government to which Marx referred to as "*The executive of the bourgeoisie*" (COMMUNIST MANIFESTO)

Object and Declaration of Principles

Object

The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

Declaration of Principles

THE SOCIALIST PARTY OF GREAT BRITAIN HOLDS:

1. That society as at present constituted is based upon the ownership of the means of living (ie land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.
2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce and those who produce but do not possess.
3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into common property of society of the means of production and distribution, and their democratic control by the whole people.
4. That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.
5. That this emancipation must be the work of the working class itself.
6. That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.
7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.
8. The Socialist Party of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

